GOVERNMENT OF INDIA
NEW AND RENEWABLE ENERGY
LOK SABHA

UNSTARRED QUESTION NO:2730
ANSWERED ON:01.12.2016
Mismatch between Demand and Supply of Bio-Diesel
Dhotre Shri Sanjay Shamrao;Mahtab Shri Bhartruhari;Shewale Shri Rahul Ramesh;Singh Shri Satya Pal

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

(a) whether there is a mismatch between demand and supply of biodiesel in the country;
(b) if so, the state-wise details thereof during the last three years and the current year and the reasons therefor;
(c) whether the Government has conducted any study on the pros and cons of allowing blending of biodiesel in diesel, if so, the details and outcome thereof, along with the implementation status of the outcome of such study;
(d) the mechanism developed by the Government to monitor/regulate the functioning of the manufacturers dealers of Bio-diesel in the country; and
(e) whether the cases of selling of Bio-diesel by unauthorized dealers have come to the notice of the Government across the country, if so, the State-wise details thereof during the said period and the corrective measures taken by the Government in this regard?

Answer

THE MINISTER OF STATE FOR POWER, COAL, NEW AND RENEWABLE ENERGY & MINES (INDEPENDENT CHARGE) (SHRI PIYUSH GOYAL)
(a) & (b): Yes, Madam. Presently, Oil Marketing Companies (OMCs) have annual High Speed Diesel (HSD) sale of approx. 7500 crore litres. OMCs currently require around 375 crore litres of biodiesel for 5% biodiesel blending in HSD. However, the production capacity of Bio-diesel in the country is approx. 140 crore litres. In the current year, suppliers have contracted 3.57 Cr litres of biodiesel by October 2016. State-wise Details are given in the annexure.
(c): Yes, Madam. As per Indian Oil Corporation Limited, detailed studies were conducted on performance of vehicles in terms of power, emission, fuel economy, drivability and material compatibility. Also, several demonstration / field trials were conducted in collaboration with Automobile and Tractor Manufacturers and Indian Railways. Performance in vehicles was found satisfactory using 5 and 10 per cent biodiesel blends with marginal increase in Oxide of Nitrogen (NOx) emissions and deterioration in fuel economy on account of 10 per cent oxygen in Biodiesel.
(d): Government of India has announced National Policy on Biofuels in 2009 for promotion and regulation of Biofuels in the Country. The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 16th January, 2015, allowed direct sale of biodiesel to all consumers by private biodiesel manufacturers, their authorised dealers and JVs of OMCs authorised by the Ministry of Petroleum and Natural Gas (MoPNG) subject to meeting the fuel quality standards prescribed by the Bureau of Indian Standards (BIS).
BIS has announced Indian Standard Specifications for Bio-diesel (B-100, B-5 and B-6 to 20) for quality assurance of the Bio-diesel production and utilization by various consumers.
(e): No such case of sale has been reported during the last three years.
****